



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, DECEMBER 16, 1994

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**JUSTICE DEPARTMENT AND MAINE ATTORNEY GENERAL'S OFFICE APPROVE
MAINE BANK MERGER UPON COMPLETION OF CERTAIN DIVESTITURES**

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division, after a joint investigation with the state of Maine, will not challenge a proposed merger between two of the largest banks in Maine as long as one of the banks sells specific branches that might have lessened competition in certain markets.

The Department advised the Federal Reserve Board on Friday, December 16, 1994, that it will not challenge the proposed acquisition of Casco Northern Bank by KeyCorp, a bank holding company that owns the Key Bank of Maine, if KeyCorp sells eleven specified branches with over \$250 million in deposits. The Division also advised the Federal Reserve Board that, as modified, the transaction will not harm competition.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "This acquisition could have harmed Maine banking consumers in Portland, Scarborough, Saco, Westbrook, Sanford, Bridgton, Bath, Auburn, Lewiston and Waterville. Due to the efforts of the Department and the Attorney General of Maine the transaction may proceed while the

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potential harm to competition will be avoided.

"This is yet another example of the Department's flexible yet effective merger policy--by working together with state enforcers, consumers get the full benefits of competition and parties to a merger get a more efficient, less costly process," she said.

Michael E. Carpenter, Attorney General for the State of Maine, said, "Today's action by our office and the Department of Justice takes a large step toward insuring that Maine businesses and Maine consumers will enjoy a healthy banking environment. This settlement avoids the harm to banking customers that could have resulted from KeyCorp's acquisition of Casco Northern."

KeyCorp will sell specified branches in Portland, Scarborough, Saco, Westbrook, Sanford, Bridgton, Bath, Auburn, Lewiston and Waterville.

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